

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 1486 – HB 1637**

February 1, 2016

**SUMMARY OF BILL:** Establishes the Tennessee Workers Protection Act that authorizes any person in the state to file a complaint in chancery court when a local governmental entity, official, or employee is believed to have violated Tenn. Code Ann. § 7-68-103 (prohibiting the adoption of ordinances or policies prohibiting compliance with, or materially interfering with, federal law pertaining to immigration). Requires the court to enforce compliance.

Requires law enforcement agencies obtaining a state grant to fully comply with the United States Immigration and Customs Enforcement Criminal Alien Program. Requires reimbursement of the grant for failure to comply.

Requires the Chief Procurement Officer (CPO) to post, on the office's website, identifying information of any persons violating Tenn. Code Ann. § 12-3-309 (prohibited contracts regarding illegal immigration). Prohibits any state or local government entity from entering into a contract with a person who is posted on the CPO website that was in violation of contract requirements.

Authorizes a state or local government entity to require a person seeking to contract with the entity to provide work authorization results generated by the E-Verify program. Requires any additional persons' services required in the performance of a contract to submit work authorizations generated by E-Verify. Applies these requirements to all employers, regardless of the number of employees. Applies these requirements to those government entities currently exempt from the requirements of public purchases under Tenn. Code Ann. § 12-3-102.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – \$57,100**

Assumptions:

- Any complaints filed in court can be handled within existing resources of the chancery court system without an increase in expenditures.
- Requiring local law enforcement agencies receiving state grants to comply with the federal Criminal Alien Program will not result in a significant fiscal impact.

**SB 1486 – HB 1637**

- There is no change to Tenn. Code Ann. § 50-1-703(b) which requires businesses with six or more employers to comply with certain provisions of the Tennessee Lawful Employment Act that is enforced by the Department of Labor and Workforce Development (DLWD), therefore, any impact to DLWD will be not significant.
- Any expenditure for the CPO to post a list on the office's website will be not significant.
- The CPO will require one additional Compliance Analyst to review the E-Verify work authorizations of the contracts that would no longer be exempt from the requirements for public purchases.
- The recurring increase in state expenditures for one Compliance Analyst is estimated to be \$57,051 (\$46,392 salary + \$10,659 benefits).
- Any increase in expenditures for the CPO to notify appropriate government entities of the new authorization will be not significant.

## **IMPACT TO COMMERCE:**

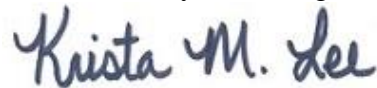
### **NOT SIGNIFICANT**

#### Assumptions:

- E-Verify is free of charge to employers.
- Requiring the use of E-Verify to verify employment eligibility will not result in a significant impact to business expenditures or jobs.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

/jaw